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background notes

Finland

United States Department of State
Bureau of Public Affairs

August 1990

Official Name: Republic of Finland

PROFILE

Geography

Area: 337,113 sq. km. (130,160 sq. mi.); about the size of New England, New Jersey, and New York combined. **Cities:** *Capital*—Helsinki (pop. 484,399). *Other cities*—Tampere (167,335), Turku (163,655). **Terrain:** Low but hilly, more than 70% forested, with more than 60,000 lakes. **Climate:** Cool; mean annual temperature in Helsinki (1977–86) +5 °C (41 °F); July +17 °C (63 °F); January -6 °C (21 °F).

People

Nationality: *Noun*—Finn(s). *Adjective*—Finnish. **Population** (1989): 4,971,844. **Annual growth rate** (1989): 0.4%. **Ethnic groups:** Finns, Swedes, Lappe, Gypsies, Tartars. **Religions** (1987): Lutheran 88.7%, Orthodox 1.1%. **Languages:** Finnish 93.6%, Swedish 6%. **Education:** *Years compulsory*—9. *Attendance*—almost 100%. *Literacy*—almost 100%. **Health** (1989): *Infant mortality rate*—6/1,000. *Life expectancy*—males 71 yrs., females 79 yrs. **Work force** (1989, 2,559,000): *Agriculture*—8.7%. *Industry, commerce, and finance*—53.3%. *Services* (public and personal)—24.7%. *Government*—5.4%. *Transport* (storage and communication)—7.1%.

Government

Type: Constitutional republic. **Constitution:** July 17, 1919. **Independence:** December 6, 1917.

Branches: *Executive*—president (chief of state), prime minister (head of government), Council of State (cabinet). *Legislative*—Unicameral parliament. *Judicial*—Supreme Court, regional appellate courts, local courts.

Subdivisions: 12 provinces, provincial self-rule for the Aland Islands.

Political parties: Four largest, in order: Social Democratic Party (SDP), National Coalition (Conservative) Party, Center Party, Leftist Alliance.

Central government budget (1989): $28.91 billion.

Defense (1989): 1.4% of GDP.

Flag: Light blue cross on a white field.

Economy

GDP (1989): $114.9 billion. **Annual growth rate:** 5% (GDP). **Per capita income** (1989 est.): $23,153. **Inflation rate** (1989): 6.6%.

Natural resources: Forests, minerals (copper, zinc, iron), farmland.

Agriculture (3% of GDP): *Products*—meat (pork and beef), grain (wheat, rye, barley, oats), dairy products, potatoes, rapeseed.

Industry (27% of GDP): *Types*—metal and steel, forest, foodstuffs, textile and clothing.

Trade (1989): *Exports*—$23.2 billion: paper and paperboard, machinery and equipment, ships, lumber, woodpulp, chemicals. *Major markets*—USSR 14.5%, Sweden 14.4%, UK 12%, FRG 10%, US 6.4%. *Imports*—$24.6 billion: fuels and lubricants, machinery and equipment, including motor vehicles, basic manufactures, chemicals; foodstuffs. *Major suppliers*—FRG 17.3%, Sweden 13.6%, USSR 11.4%, US 6.3%.

Official exchange rate (1989): 4.295 Finnmarks=US$1.

Fiscal year: Calendar year.

Membership in International Organizations

UN and some of its specialized and related agencies, including the International Bank for Reconstruction and Development (IBRD), International Monetary Fund (IMF), General Agreement on Tariffs and Trade (GATT), International Finance Corporation (IFC), International Development Association (IDA); Bank for International Settlements (BIS); Asian Development Bank; Inter-American Development Bank (IDB); Council of Europe; Nordic Council; European Free Trade Association (EFTA); European Community (EC)—free trade agreement; Organization for Economic Cooperation and Development (OECD); INTELSAT.

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S1.123:

FINLAND
International boundary
National capital
Railroad
Road
International airport
NORWEGIAN SEA
NORWAY
SWEDEN
U. S. S. R.
BOTHNIA
GULF OF
BALTIC SEA
GULF OF FINLAND
LAKE LADOGA
Kilpisjärvi
Nordmannvik
Ivalo
Kandalaksha
Kemijärvi
Rovaniemi
Kuusamo
Tornio
Kemi
Luleå
Oulu
Raahe
Kalajoki
Kokkola
Umeå
Vaasa
Iisalmi
Kuopio
Joensuu
Jyväskylä
Savonlinna
Mikkeli
Pori
Tampere
Rauma
Lahti
Hämeenlinna
Lappeenranta
Imatra
Kouvola
Vyborg
Turku
Kotka
Mariehamn
HELSINKI
Hanko
Leningrad

PEOPLE

The origins of the Finnish people are still a matter of conjecture, although most scholars agree that their original home was in what is now west-central Siberia. The Finns arrived in their present territory thousands of years ago, pushing the indigenous Lapps into the more remote northern regions.

The Finnish language is Finno-Ugric, of the Uralic language family (of which Hungarian and Estonian also are a part) and not Indo-European. Lappish, the language of the small Lapp minority, also is Finno-Ugric.

Swedish became the dominant language following Finland's incorporation into Sweden in the 12th century. Finnish recovered its predominance after a resurgence of Finnish nationalism in the 19th century. Today, although 94% of the people speak Finnish as a first language, both Finnish and Swedish are official languages.

The population is ethnically homogeneous with no sizable immigrant population. Few tensions exist between the Finnish-speaking majority and the Swedish-speaking minority.

Finns are highly literate, and poetry has played a key role in Finnish history. Publication in 1835 of the Finnish national epic, *The Kalevala*, a collection of traditional myths and legends, first stirred the nationalism that led to independence in 1917.

An important theme in Finnish literature is humanity's unity with nature, which identifies human fate with impersonal forces and which gives Finnish literature a somber, sometimes tragic, sometimes heroic, tone. Another theme is the importance of the common people—the Finnish folk. One of the country's major writers, Frans Emil Sillanpaa, received the Nobel Prize for literature in 1939.

Finland is one of the most active publishing countries in the world. Although major literary works have been translated into English, Finnish music, because it does not require translation, is better known. This is especially true of the works of Jean Sibelius who, along with many other Finnish artists, was profoundly influenced by *The Kalevala*.

Finns also are outstanding in other artistic fields; their jewelry, textile, glass, and furniture designs have gained prominence throughout the world.

Finland enjoys complete religious freedom as well as free education through the university level. An extensive social welfare system, constituting about one-fifth of the national income, includes a variety of pension and assistance programs and a comprehensive health insurance program.

In the mid-1970s, the educational system was reformed with the goal of equalizing educational opportunities. Beginning at age 7, all Finnish children are required to attend a "basic school" of nine grade levels. After this, they may elect to continue along an academic *(lukio)* or vocational *(ammattikoulu)* line. However, most pursue vocational studies. About one child in four receives a higher education in this highly competitive system. The number of openings in higher educational institutions is less than the demand.

HISTORY

Finland's nearly 700-year association with the Kingdom of Sweden began in 1154 with the introduction of Christianity by Sweden's King Eric. During the ensuing centuries, Finland played an important role in the political life of the Swedish-Finnish realm, and Finnish soldiers often predominated in Swedish armies. Finns also formed a significant proportion of the first "Swedish" settlers in 17th-century America.

In 1809, Finland was conquered by the armies of Czar Alexander I and thereafter remained an autonomous grand duchy connected with the Russian Empire until the end of 1917. On December 6, 1917, shortly after the Bolshevik Revolution in Russia, Finland declared its independence. In 1918, Finland experienced a brief but bitter civil war that colored domestic politics for many years.

During World War II, Finland fought the Soviet Union twice—in the Winter War of 1939–40 and again in the Continuation War of 1941–44. This was followed by the Lapland War from 1944–45 when Finland fought against the Germans as they withdrew their forces from northern Finland.

The Treaty of Peace, signed at Paris on February 10, 1947, limited the size of Finland's defense forces and provided for the cession to the Soviet Union of the Petsamo area on the Arctic coast, the Karelian Isthmus in southeastern

Finnish folkdancing.

Finland, and other territory along the former eastern border. Another provision, terminated in 1956, leased the Porkkala area near Helsinki to the USSR for use as a naval base and gave free access to this area across Finnish territory. The peace treaty also called for Finland to pay to the Soviet Union reparations of 300 million gold dollars (amounting to an estimated $570 million in 1952, the year the payments ended). The United States was not a signatory to the treaty because it had not been at war with Finland.

GOVERNMENT

Under the Finnish constitution, political power is divided between the *Eduskunta* (parliament) and the president of the republic, with the highest executive power vested in the president.

Elected for a 6-year term, the president:

- Handles foreign policy, except for certain international agreements and decisions of peace or war, which must be submitted to parliament;
- Is commander in chief of the armed forces and has wide decree and appointive powers;
- May initiate legislation, block legislation by pocket veto, and call extraordinary parliamentary sessions; and
- Appoints the cabinet.

A view of Helsinki's neoclassic center.

The Council of State is made up of the prime minister and ministers for the various departments of the central government as well as an ex-officio member, the Chancellor of Justice. Ministers are not obliged to be members of the *Eduskunta* and need not be formally identified with any political party.

Constitutionally, the 200-member, unicameral *Eduskunta* is the supreme authority in Finland. It may alter the constitution, bring about the resignation of the Council of State, and override presidential vetoes; its acts are not subject to judicial review. Legislation may be initiated by the president, the Council of State, or one of the *Eduskunta* members.

The *Eduskunta* is elected on the basis of proportional representation. All persons 18 or older, except military personnel on active duty and a few high judicial officials, are eligible for election. The regular parliamentary term is 4 years; however, the president may dissolve the *Eduskunta* and order new elections at any time.

The judicial system is divided between courts with regular civil and criminal jurisdiction and special courts with responsibility for litigation between the public and the administrative organs of the state. Finnish law is codified. Although there is no writ of habeas corpus or bail, the maximum period of pre-trial detention was recently reduced to 4 days. The Finnish court system consists of local courts, regional appellate courts, and a supreme court.

Finland's 12 provinces are divided into cities, townships, and communes administered by municipal and communal councils elected by proportional representation once every 4 years. The 11 mainland provinces are administered by provincial boards composed of civil servants and each headed by a presidentially appointed governor. The boards are responsible to the Ministry of the Interior and play a supervisory and coordinating role within the provinces.

The island province of Aaland is located near the 60th parallel between Sweden and Finland. It enjoys local autonomy by virtue of an international convention of 1921, implemented most recently by the Act on Aaland Self-Government of 1951. The islands are further distinguished by the fact that they are entirely Swedish speaking. Government is vested in the provincial council, which consists of 30 delegates elected directly by Aaland's citizens.

Principal Government Officials

President—Mauno Koivisto
Prime Minister— Harri Holkeri
Foreign Minister—Pertti Paasio
Ambassador to the United States—Jukka Valtasaari
Ambassador to the United Nations—Klaus Tornudd

Finland maintains an embassy in the United States at 3216 New Mexico Avenue, NW, Washington, DC 20016 (tel. 202-363-2430).

POLITICAL CONDITIONS

Finland's proportional representation system encourages a multitude of political parties and has resulted in many coalition governments.

Political activity by communists was legalized in 1944. Although four major parties have dominated the postwar political arena, none has a majority position. The largest is the Social Democratic Party (SDP), which commands the support of nearly 25% of the electorate, mainly among the urban working class but also with some support among small farmers, white-collar workers, and professionals. The SDP's rival on the left is the Leftist Alliance, formed in May 1990, which replaces the People's Democratic League (SKDL), the parliamentary group in the *Eduskunta* that represented the Finnish Communist Party. The SKDL's parliamentary effectiveness and potential participation in government were impaired, however, by the deep split in the Communist Party between its "moderate" majority and "hardline" minority.

The two other major parties are the Center Party, traditionally representing rural interests, and the Conservative Party, which draws its major support from the business community and urban professionals.

In the February 1988 election, President Koivisto won a new 6-year term. Parliamentary elections in March 1987 led to the formation of a "red-blue" coalition government that includes both the SDP and the National Coalition (Conservative) Party.

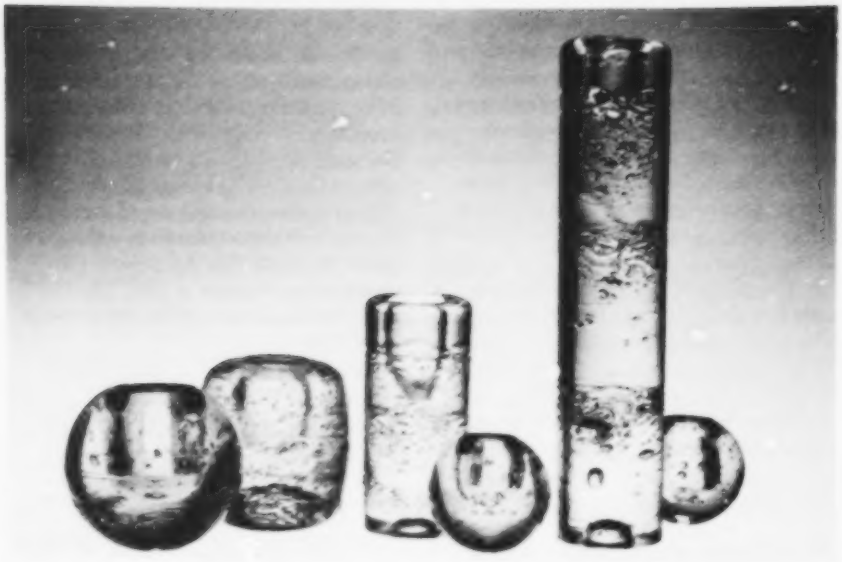
ECONOMY

Finland has a dynamic industrial economy based on abundant forest resources, capital investments, and technology. In the 1980s, Finland's economic growth rate was one of the highest of industrialized countries. Exports contribute more than 20% of the gross domestic product (GDP); combined exports of goods and services amount to about 25% of GDP. Exports and imports of goods total about 40% of GDP. Timber and steel are the main industries, but other industries produce manufactured goods ranging from electronics to motor vehicles. Finnish-designed consumer products such as textiles, porcelain, and glassware are world famous.

Finland is self-sufficient in dairy products and meats, as well as in grains in good harvest years, but it imports large amounts of fruits and vegetables. Farms tend to be small, but sizable timber stands are harvested for supplementary income in winter.

Except for timber and several minerals, Finland depends on imported raw materials, energy, and some components for its manufactured products. Traditionally, Finland is a net importer of capital to finance industrial growth.

Finland imported 70% of its energy in 1989. Oil imports met 31% of Finnish requirements while nuclear power provided 15%, coal 11%, and natural gas 6%. Domestic energy sources include hydroelectric power, peat, and wood products.



Iittala Glassworks are famous worldwide. Classic designs capture the atmosphere of Finland's clear, cold waters.

DEFENSE

Finland's active duty defense forces are limited by the 1947 Treaty of Peace to 41,900 troops (army 34,400, navy 4,500, air force 3,000). The country has military conscription under which all young men serve from 8 to 11 months. A reserve force of about 700,000 ensures readiness as one means of deterring involvement in war. The basic tenet of Finnish security policy is that, while foreign policy is important, the nation's ability to defend itself is a prerequisite for a successful policy of neutrality.

Political Parties

In order of respective seating placement

Democratic Alternative	4
Leftist Alliance	16
Social Democrats	56
Rural Party	8
Free Democrats	1
Center Party	40
National Coalition Party	53
Swedish People's Party	13
Greens	4
Christian League	5

FOREIGN RELATIONS

Finland's basic foreign policy goal since 1944 has been to avoid great-power conflicts and to build mutual confidence with the Soviet Union. Although the country is culturally, socially, and politically Western, Finns realize they must live in peace with the USSR and take no action that might be interpreted as a security threat.

The principal architect of the post-1944 foreign policy was J.K. Paasikivi, who was president from 1946 to 1956. Urho Kekkonen, president from 1956 until 1981, further developed this policy, stressing that Finland should be an active rather than a passive neutral. This policy is now popularly known as the "Paasikivi-Kekkonen Line."

In April 1948, Finland signed an Agreement of Friendship, Cooperation, and Mutual Assistance with the Soviet Union, under which Finland is obligated (with the aid of the Soviet Union, if necessary) to resist armed attacks by Germany or its allies against Finland, or against the USSR through Finland. At the same time, the agreement recognizes Finland's desire to remain outside great-power conflicts. This agreement was renewed for 20 years in 1955, again in 1970, and most recently in 1983 to the year 2003.

Finland joined the United Nations and the Nordic Council in 1955, is a full member of the European Free Trade Association, and in 1973 signed a free trade agreement with the European Community. It also has entered into free trade agreements with Czechoslovakia, Bulgaria, Hungary, Poland, and the German Democratic Republic; a 15-year economic cooperation agreement with the

Further Information

Available from the Superintendent of Documents, US Government Printing Office, Washington, DC 20402:

American University. *Area Handbook for Finland.* 1974.

US Department of Commerce. *"Finland." Foreign Economic Trends and Their Implications for the United States.* International Marketing Information Series. Published annually.

Soviet Union, last extended in 1980; and a cooperation agreement with the Council for Mutual Economic Assistance.

Finland also emphasizes cooperation with the other Scandinavian countries and has been a member of the Nordic Council since 1955. Under the council's auspices, the Nordic countries have created a common labor market and have abolished immigration controls among themselves. The council also serves to coordinate social and cultural policies of the participating countries and has promoted increased cooperation in many fields.

In recent years, Finland has emphasized its participation in international organizations. In proportion to its population, Finland is well represented in the UN civil service. Finnish troops have participated in UN peacekeeping activities since 1956 and Finns now serve with UN forces in the Middle East and with the UN good offices mission in Afghanistan.

Finland has hosted major international meetings such as the first and final stages of the Conference on Security and Cooperation in Europe (CSCE). The summit-level CSCE meeting in July and August 1975 brought 35 heads of state from Europe and North America to Helsinki for a conference unique in diplomatic history. Finland also hosted a 10th anniversary CSCE commemorative meeting in the summer of 1985 and will host the next CSCE review meeting in 1992.

US-FINNISH RELATIONS

Relations between Finland and the United States are cordial. It has been longstanding US policy to support Finnish neutrality while maintaining and reinforcing Finland's historic, cultural, and economic ties with the West. Economic and trade relations between Finland and the United States are active. President Reagan proclaimed 1988 the Year of US-Finnish Friendship.

Travel Notes

Climate and clothing: Helsinki's winter climate is similar to Boston's; summer temperatures rarely exceed +24 °C (75 °F). Northern and parts of interior southern Finland sometimes experience Arctic conditions in mid-winter. Buildings are well-heated. Bring warm outdoor clothing during late autumn, winter, and early spring. Sweaters and raincoats are recommended for other seasons.

Health: Public health standards are similar to those in the United States. Tapwater is potable. Medical facilities are good.

Telecommunications: Telephone and telegraph services are efficient and available to most parts of Finland and the world. Helsinki is seven time zones ahead of eastern standard time.

Transportation: Bus and taxi service is available in most cities as well as tram and subway service in Helsinki. At least one US carrier provides US-Finland flights 5 days a week. Finnair flies to New York daily and offers flights to Los Angeles several days a week. Flights to many European cities depart Helsinki daily. Finland's domestic air network is one of the best in Europe. The country also has efficient rail and long-distance bus service. Roads are well maintained; nearly all major highways ,and most important secondary roads are paved.

Tourist attractions: With many islands and lakes, evergreen forests, and granite outcroppings, Finland's countryside is striking. Many tourists enjoy cruises on stately historic steamers that travel on Finland's biggest lake, Saimaa. Lapland, with its flora and reindeer, also is popular.

The US educational exchange program in Finland, comparatively large for a West European country of Finland's size, is financed in part from a trust fund established in 1976 from Finland's final repayment of a US loan made in the aftermath of World War I.

Principal US Officials

Ambassador—John Giffen Weinmann
Deputy Chief of Mission—Max N. Robinson
Public Affairs Officer—William P. Kiehl
Chief, Political Section—William Kushlis
Chief, Administrative Section—William J. Burke, Jr.
Defense and Air Attache—William A.J. Mackie
Chief, Economic Section—Lawrence E. Butler
Commercial Attache—Richard Newquist
Consul—Robert O. Tatge

The US Embassy in Finland is at Itainen Puistotie 14 B, Helsinki 14 (tel. 171931). The public affairs section is located at Kaivokatu 10 A, Helsinki 10 (tel. 176599). ■

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